

**REGULAR MEETING
of the
CITY OF RIALTO
CITY COUNCIL
City of Rialto, acting as Successor Agency to the
Redevelopment Agency
RIALTO HOUSING AUTHORITY**

**MINUTES
June 25, 2013**

A regular meeting of the City Council of the City of Rialto was held in the City Council Chambers located at 150 South Palm Avenue, Rialto, California 92376, on Tuesday, June 25, 2013.

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This meeting was called by the presiding officer of the Rialto City Council in accordance with the provisions of **Government Code §54956** of the State of California.

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CALL TO ORDER

Mayor Deborah Robertson called the meeting to order at 5:00 p.m.

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The roll was called and the following were present: Mayor Deborah Robertson, Council Members Lynn Hirtz, Ed Palmer, Joe Baca Jr. and Shawn O'Connell. Also present were City Administrator Michael Story, City Clerk Barbara McGee and City Attorney Jimmy Gutierrez.

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CLOSED SESSION

1. Conference with Labor Negotiator regarding the following recognized employee organization pursuant to Government Code Section 54957.6:

Brad Neufeld, GSNT

George Harris, Administrative and Community Services Director

Rialto Police Benefit Association

Police Management Bargaining Unit

Mid-Management Bargaining Unit

General Bargaining Unit

CGMA Bargaining Unit

Fire Management Bargaining Unit

Firefighters Union Local 3688

CLOSED SESSION

2. Conference with Legal Counsel - Existing Litigation: The City Council will discuss the following pending litigation (s) pursuant to Government Code Section 54956.9(a):
City of Riverside v. City of Rialto, et al.
San Bernardino County Superior Court Case No. CIVDS1100716
3. Conference with Legal Counsel - Existing Litigation: The City Council will discuss the following pending litigation (s) pursuant to Government Code Section 54956.9(a):
San Bernardino County Flood Control District v. City of Rialto, et al.
San Diego County Superior Court Case No. 37-2009-00082535-CU-EI-CTL
4. Conference with Legal Counsel - Existing Litigation. The City Council will discuss the following pending litigation pursuant to Government Code Section 54956.9(a):
(a)Vince Licata v. City of Rialto
Claim No. CR-04-0000001
5. Conference with Legal Counsel - Existing Litigation. The City Council will discuss the following pending litigation pursuant to Government Code Section 54956.9(a):
(a)City of Rialto v. Robert Carroll
Claim No. CR-12-005040
6. Conference with Legal Counsel - The City Council will discuss the following employee performance evaluation pursuant to Government Code Section 54957:
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: City Attorney
7. Conference with Legal Counsel - Existing Litigation: The City Council will discuss the following pending litigation (s) pursuant to Government Code Section 54956.9(a):
Rialto Professional Firefighters, Local 3688 v. City of Rialto, et al.
San Bernardino County Superior Court Case No. CIVDS1304465

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Motion by Mayor Pro Tem Palmer, second by Council Member Baca Jr. and carried by unanimous vote to go into Closed Session at 5:02 p.m.

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CALL TO ORDER

Mayor Deborah Robertson called the meeting to order at 6:17 p.m.

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The roll was called and the following were present: Mayor Deborah Robertson, Council Members Lynn Hirtz, Ed Palmer, Joe Baca Jr. and Shawn O'Connell. Also present were City Administrator Michael Story, City Clerk Barbara McGee and City Attorney Jimmy Gutierrez.

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Pledge of Allegiance and Invocation

Mayor Pro Tem Palmer led the pledge of allegiance and Reverend Jose Vindel, Rialto United Methodist Church gave the Invocation.

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City Attorney's Report

City Attorney Gutierrez stated that the first one was a conference with the City's Labor Negotiator regarding the status of the negotiation with the employee bargaining units. The Council received a report but no action was taken.

The second item was with respect to a lawsuit entitled "City of Riverside vs. the City of Rialto." We were presented with a settlement agreement that's a no dollar settlement agreement. The City Council approved it so we'll have it signed and filed and the lawsuit will be dismissed.

The third item is the lawsuit with the San Bernardino County Flood Control District. I presented the Council with a tolling agreement to extend the statute of limitations in which the City of Rialto can file a cross complaint and that item was approved also. Both of these items were approved 5-0.

Items four and five deal with two workers compensation cases. One is Vincent Licata and the other one is Robert Carroll and the City Council, on Mr. Licata, approved a settlement agreement on a 5-0 vote, and with respect to Mr. Carroll, they tentatively indicated their approval of a disability retirement, which is on the agenda as a consent calendar and the Council will move forward on that one.

Item number six, the employee -- the evaluation of myself, the City Attorney, did not take place but it will continue after the Council concludes their meeting tonight.

Item number seven, this was the status of a lawsuit entitled "Rialto Professional Firefighters vs. the City of Rialto." The City Council heard the status report on that matter but no action was taken.

Item eight, that I asked the Council to add to the agenda before we went in closed session pertaining to an item that would expose the City to litigation. I informed the Council that I have just learned of this on Friday and so, they moved to add it by a 5-0 vote to the agenda. I explained the matter to City Council and they gave me direction but no action was taken.

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Mayor Robertson stated that at the conclusion of today's City Council, they will go back and reconvene in closed session so that they can finish with one other item that they weren't able to address while they were in closed session.

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PRESENTATIONS
PROCLAMATIONS

1. Proclamation-Parks & Recreation Month - Mayor Deborah Robertson
2. Proclamation-Community Service Recognition Commissioner Harold "Bud" Bender and Frances Brooks - Mayor Deborah Robertson
3. Certificate-Friends of the Rialto Library-Richard Johnson and Margaret Robinson - Mayor Deborah Robertson
4. Certificate of Recognition - The Courage Giver, Inc. - Mayor Deborah Robertson
5. Certificate of Recognition – Teen Girls Conference - Mayor Deborah Robertson

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CONSENT CALENDAR

A. WAIVE FULL READING OF ORDINANCES

1. Waive reading in full, all ordinances considered at this meeting.

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B. APPROVAL OF WARRANT RESOLUTIONS

B.1 Resolution No. 40 (04/19/13)

B.2 Resolution No. 41 (04/26/13)

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C. APPROVAL OF MINUTES

C.1 Regular City Council Meeting - March 26, 2013

C.2 Regular City Council Meeting - April 9, 2013

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D. SET PUBLIC HEARINGS

D.1 Request City Council to Set a Public Hearing for July 23, 2013 to Receive Public Comment Regarding the Placement of Charges on the County Property Tax Roll for Delinquent Sewer Payments.

D.2 Request City Council to Set a Public Hearing for July 23, 2013 for the purpose of Establishing a Fee for Preparing the Renaissance Specific Plan.

E. MISCELLANEOUS

E.1 Request City Council to Adopt Resolution No. 6284 for the Placement of Liens Against Abandoned Properties for Failure to Comply with Administrative Citation to Correct Code Violations.

E.2 Request City Council to Adopt Resolution No. 6285 Approving the Industrial Disability Retirement of Police Officer Robert Carroll.

CONSENT CALENDAR

E. MISCELLANEOUS

- E.3 Request City Council to Adopt Resolution No. 6286 Authorizing the Destruction of Certain Municipal Records of the City Treasurer's Office.
- E.4 Request City Council to Approve an Increase of \$5,000 to the Annual Purchase Order with Tom Gibby Background Investigations through June 2013.
- E.5 Request City Council to Approve Acceptance of the FY13 Justice Assistance Grant (JAG); the Interlocal Agreement with the County of San Bernardino; and Budget Resolution No. 6287 Appropriating \$36,618.
- E.6 Request City Council to Approve an Increase of \$5,000 to the Annual Purchase Order with Community Animal Hospital through June 2013.
- E.7 Request City Council to Adopt for Second Reading Ordinance No. 1530.

ORDINANCE NO. 1530

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIALTO, AMENDING CHAPTER 9.43 ("PSYCHOACTIVE BATH SALTS, PSYCHOACTIVE HERBAL INCENSE, AND OTHER SYNTHETIC DRUGS") OF TITLE 9 OF THE RIALTO MUNICIPAL CODE PROHIBITING THE DISTRIBUTION AND SALE OF CERTAIN INTOXICATING CHEMICAL COMPOUNDS KNOWN AS SYNTHETIC DRUGS.

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Motion by Mayor Pro Tem Palmer, second by Council Member Baca Jr. and carried by unanimous vote to approve the Consent Calendar.

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TAB 1 - Budget Plan for Fiscal Year 2013-14

George Harris, Administrative and Community Services Director presented the Budget Plan for Fiscal Year 2013-14

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Mayor Robertson asked for one, that you added an additional piece in so how do you want to add that in terms of an action that would be taken? You didn't list it in your recommendations.

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George Harris, Administrative and Community Services Director asked as far as the positions?

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Mayor Robertson stated Yes.

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**TAB 1 - Budget Plan for Fiscal
Year 2013-14**

George Harris, Administrative and Community Services Director stated by Council action, by verbal action, Staff would just simply, by way of Minute Action, approve the re-organization and the re-classifications as listed and the required appropriation necessary to put that into effect. So, we need that in an actual Action. And the additional appropriation, as I mentioned, was about \$25,000 dollars.

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Mayor Robertson stated I just wanted to make sure because you said you wanted to capture it in whatever was going to be your recommendation.

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Mayor Pro Tem Palmer stated it would be under – let's say it could be included as far as the approved, the authorized budget position list. Let me just add five positions to that one part of that it would be the same action.

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Mayor Robertson declared the public hearing open.

No one came forward.

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Motion by Council Member Hirtz, second by Mayor Pro Tem Palmer and carried by unanimous vote to close the public hearing.

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Council Member Baca Jr. stated I want to thank Staff for putting this budget together and as we look at the financial situation of the City, the budget that was put together was pretty sound. A fiscally sound budget where we have a strong reserve, which I think is important for the public to know that we're watching our dollars. We're being very fiscally responsible. As contracts are coming before us we're doing everything we can to try to make sure that we're watching the City's money. With some of this one-time money that we're getting, we want to make sure that we keep our commitment to the public and making sure we're improving. Making sure that our police and fire have the adequate equipment they need and are staffed to make sure that we can provide good service. I think that we're meeting a lot of needs here, clearly. We're still short on a lot of needs being met in Rialto. We have a long ways to go but this is clearly a good start and with this start I think we've got to continue to build with this as we continue to move the City of Rialto forward. I think it's a good budget. It's not a perfect budget but, I think, as we get to further parts of the budget, and clearly giving our vision of what we want to see the money spent on. This is just a general department by department but how do we move this City forward and what becomes a priority for our City as we move forward?

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**TAB 1 - Budget Plan for Fiscal
Year 2013-14**

Mayor Robertson stated I would like to talk through a few of the things that you mentioned in the June 5th workshop. You mentioned these plus personnel changes of \$103,000. It's one of your slides. You stated it was part-time help, some other items, but it wasn't something -- these were after the workshop or during the workshop?

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George Harris, Administrative and Community Services Director stated they were actually after the workshop and so it includes a part-time position in the City Clerk's Department. Two part-time positions in the Public Works Department as well as some adjustments needed to facilitate some movement in the police department we want to do once we do reach agreement with the unit and that's related to taking advantage of some budget savings and adjustments related to some personnel in the dispatch as well as the Records Department in the police department.

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Mayor Robertson stated Okay. And then, because these were things that weren't brought up and so, not that preparing or planning for some maintenance for the fleet is an appropriate action but, I guess, I know that we had originally not talked about having any resources for activities but I can appreciate and recognize that there needs to be something for unanticipated maintenance.

Also, going to PERS costs for 2008 to 2016, you made mention that it was \$100,000. You used that as the example and the \$32,000 is on the average of what we're paying on a non-personnel?

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George Harris, Administrative and Community Services Director stated on non-public safety. Non-sworn.

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Mayor Robertson stated but for police and fire you said roughly 50% of whatever their salary is? So, it's like half of the salaries? So, if it's \$100,000 dollars, we pay \$50,000 for the PERS?

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George Harris, Administrative and Community Services Director stated using the same example; yes.

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Mayor Robertson stated okay, for police. Then you mentioned we didn't have that many employees who are making \$100,000 but rough estimate of the 315, what percentage would you say that we have on-board as people who are making salaries, total of \$100,000 or more?

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TAB 1 - Budget Plan for Fiscal Year 2013-14

George Harris, Administrative and Community Services Director asked base salary under \$100,000?

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Mayor Robertson stated above. \$100,000 or more.

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George Harris, Administrative and Community Services Director stated oh, I'm sorry. Base salary above \$100,000? That's something I'd have to get back to you on.

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City Administrator stated I can give the salary schedule to George and have him calculate pretty quick and stuff because he's better with numbers than I am.

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Mayor Robertson stated No, I guess because you made that statement but I think when I'm looking at the salaries of some of the staff and mid-management in public safety, for police and fire, I know that we do have a number of people who are making \$100,000 or above so I'm just trying to get a feel for how much we're really putting into our -- the PERS costs.

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George Harris, Administrative and Community Services Director stated Right. And so, a good estimate is that chart where we look at our total and I have to apologize. Bear with me here to get back. The total City obligation to PERS projected for 2014 is just over \$10 million dollars. So, about \$10.5 million.

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Mayor Robertson asked is this what we're projected to be paying by 2014?

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George Harris, Administrative and Community Services Director stated in the proposed budget year; yes. Now, obviously, with the assistance of the employees paying their eight and nine percent, they help with 20% of those costs, by paying their eight and nine percent. But the total impact is -- the total impact -- the total cost for PERS to the City is about 10 and a half million.

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Mayor Robertson stated okay. On the recommended re-organizations and I appreciate that you did put this in. I was just curious as to why the steps are necessarily aligning up altogether. Some go down, some go up, some go equal. I see the pay difference. Is it because you were trying to make the appropriate realignments or you're trying to stay within 5% of the salary?

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**TAB 1 - Budget Plan for Fiscal
Year 2013-14**

George Harris, Administrative and Community Services Director stated for those that were considered promotional, we wanted to make sure that we were within 5% so that the employee would receive at least 5%. There are two that are identified there and I'll name them. The Housing Program Manager, Project Manager, the third on the list. For the benefit of the audience I'll bring that up. The Housing Program Manager to the Project Manager, that is simply a title change and so there is no change in their salary. As the housing efforts have reduced, it's just not an appropriate title any longer. The City Administration - Telecommunication Supervisor being changed to Executive Assistant. That is a negotiated transition and reclassification based on the duties that are projected to be assigned to this individual during the year and so, at their request, they -- to ease the impact to the City, they requested that we try to be as smooth and that was based on a conversation with the Union Representative for that individual. And then, the other three -- the balance of the other three, the Senior Planner, the Public Works Supervisor, and the Environmental Program Coordination; we were trying to leave them -- achieve a minimum 5% increase. And so, those are the appropriate steps for the new positions.

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Mayor Robertson stated so, you were trying to give some appropriate recognition and/or promotion with an expectation that they're either currently doing more or will be expected to do more?

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George Harris, Administrative and Community Services Director stated absolutely.

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Mayor Robertson stated okay, got it. Good. Thank you.

And then, one last thing and it's not there but I'd like to know, because I was trying to go through the book and understand. What have we done with the position of City Engineer or Building Official? Are we eliminating the Building Official position or will we be carrying it as a position on our books but unfunded in the budget?

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George Harris, Administrative and Community Services Director stated the Chief Building Official is not a budgeted position. The position description is still approved. If, at any time in the future, the City Council or the City Administrator would like to add that to the list of authorized positions, it's there and available and it can be added.

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**TAB 1 - Budget Plan for Fiscal
Year 2013-14**

Mayor Robertson stated so, it's part of our positions already listed?

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George Harris, Administrative and Community Services Director stated but not budgeted. So, there would be no further action to adjust the job description or we would just simply budget for it.

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Mayor Robertson stated Okay. And then, my last -- to the bad news page and I know that my colleague acknowledged that this was a very good effort and good budget but I am still very concerned because I've been a part of negotiations with everyone and the thing that you pointed out here, as well as my colleague Council Member O'Connell has been part of the negotiations and I believe even Mayor Pro Tem has been part of our on-going negotiations and you mentioned we have two -- we have managed to get agreements with all of our unions but four. You said four MOUs but it's, basically, two bargaining units.

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George Harris, Administrative and Community Services Director stated correct.

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Mayor Robertson stated I guess I wanted to understand. In order for the management of our police department or the management of our fire department to move forward, they have to move forward together? Because you said four MOUs. So, who are the four MOUs?

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George Harris, Administrative and Community Services Director stated there are two MOUs that represent each department so there's a separation between the general employees in each area and the management employees in each department. So, you have your Rialto Fire Management Association, which is your management in your fire department. Then you have Local 3688, which are the general Rank and File employees in the fire department. And then, on the police association side, there is a management group as well as a general unit group inside those units. So, it's represented by four MOUs but it is really -- we're talking about two departments.

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Mayor Robertson stated okay. So, those are the four that we still have not been able to come to any resolution with?

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George Harris, Administrative and Community Services Director stated that's correct.

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**TAB 1 - Budget Plan for Fiscal
Year 2013-14**

Mayor Robertson stated we're still in negotiations. And yet, so that is where we still have a significant gap. What degree of concessions would we need to get so that we could have roughly a balanced budget without adopting this with a structural deficit?

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George Harris, Administrative and Community Services Director stated we're looking for a little over a million dollars between those two departments.

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Mayor Robertson stated would that, in any way, help close our deficit?

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George Harris, Administrative and Community Services Director stated absolutely.

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Mayor Robertson stated there's a deficit right now of \$2.7 million structural deficit?

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George Harris, Administrative and Community Services Director stated yes, but it would be very, very close. We'd have to really look at capital spending as a way to finally close the gap.

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Mayor Robertson stated thank you everyone. I raise this because this is something that we're asking everybody to help the City at the time, for one year, while we wait and continue to get ourselves out of the clouds and it's so unfortunate, while we can sit and talk about everything that the Staff is doing and everyone's negotiating and even the employees within those respective units, who I interact with and talk to every day, over the weekend, on Sunday, and applaud their efforts individually, I just really find it very disheartening that we can't seem to get people to come to the table and want to make sure that this community is moving forward and that everybody is pulling their weight and trying to make it happen. And it's unfortunate we have to look at adopting a budget with a structural deficit because folks are choosing to decide that they feel we should take whatever money we have in reserve or whatever money that we have choose to put towards economic development and betterment for this community and fixing pot holes on Riverside Avenue and downtown or trying to give to this community the quality of life.

**TAB 1 - Budget Plan for Fiscal
Year 2013-14**

Mayor Robertson stated as my colleague sitting to my left has constantly spoke about, we're still struggling. We're going to close this Fiscal Year in a deficit and we don't have to have a deficit because what we're asking is for someone -- for those -- those units. Not necessarily the employees within those units, to come forward and move forward and give and support the efforts of this community. We support them. The citizens have stepped up, in March, when they voted for the Utility Tax and said, "We support you." And I just feel personally that if I support you and I'm willing to tax myself, I would expect and hope that you could meet us and make sure that we give a message that we're moving forward and we're not having to adopt a structural deficit because we choose not to take our money out of the reserve or we choose not to give the money to pay for benefits that do not necessarily benefit this community on a day-to-day basis in pension and it just really bothers me.

It truly bothers me and I'm not just gonna sit here because I have been, just like everybody else, working through negotiations, trying to say what I can do to make sure our employees, even though they've had to take some hits and they've had to, maybe, make some reductions, that we still can make sure that they have a job at the end of the day and try and close whatever gaps we can so we lessen the impact. And I've said and I'm gonna say it publicly, I mean, it's one thing and our City Administrators have said it, "We love you but we can't afford you" and we're trying to just close the gap and we're trying to ask you to come to the table and just give us what we need. We're not trying to take away your salaries or anything else but we can't seem to get there and it's really an unfortunate situation. While we sit here and we say glorious -- wonderful glowing things, the bottom line is we're -- we're playing a tit-for-tat with two units who doesn't want to blink until the other one blinks and no one wants to give anything back. No one wants to help this community go forward. Just want to make sure they get what they can get and move forward. And I feel like personally, it's one thing when I'm keeping you but when I'm having to keep you at an expense that I can't afford you, then I feel like I'm keeping a mistress, I mean, somebody -- I'm just keeping somebody and they got me over a barrel. So, you know, tonight, whatever the action is, we will probably be going forward and in this time and age, adopting a budget where we still have a deficit, because we can't seem to have people who want to come forward and not the individuals, but the bodies who represent them and speak for them in wanting to come forward and help -- help this community out. So, that concludes my comments.

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TAB 1 - Budget Plan for Fiscal Year 2013-14

Motion by Mayor Pro Tem Palmer, second by Council Member Baca Jr. and carried by 4-1 vote to adopt Resolution No. 6288, RHA Resolution No.03-13, and RUA Resolution No. 02-13 Approving the Budget Plan for Fiscal Year 2013-14; adopt Resolution No. 6289 Approving the Amendment to the Capital Improvement Plan; Approve the Fully Burdened Hourly Rate Schedule; approve the Authorized Budget Positions Schedule for FY 2013-14; and approve Resolution No. 6290 Adopting the Gann Limit as Required by Article XIII (B) of the California Constitution. Mayor Robertson voted no.

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TAB 2 - Engineer's Reports and Ordering the Levy of Assessments for Fiscal Year 2013/2014 for various maintenance districts

Marcus Fuller, Public Works Director presented the staff regarding Engineer's Reports and Ordering the Levy of Assessments for Fiscal Year 2013/2014 for Street Lighting District No. 1, Landscape Maintenance District No. 1, and Landscape and Lighting Maintenance District No. 2.

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Mayor Robertson declared the public hearing open.

No one came forward.

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Motion by Mayor Pro tem Palmer, second by Council Member Baca Jr. and carried by unanimous vote to close the public hearing.

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Council Member O'Connell stated I was part of the sub-committee for the EDC, Economic Development Committee, and I know we're talking about and I know some of the fellow council members haven't had a chance to look at it but the Staff is being very creative at looking at ways to save a significant amount of money in regards to lighting and as we go forward, Marcus mentioned, there could be up to 75% savings. So, we are looking at creative ways to address our deficit, as well, so great job on bringing that forward, Marcus.

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Mayor Robertson stated that was presented EDC and I do think it is definitely an aggressive, much appreciate approach for our Public Works Director to look at and while I was away at the U.S. Conference of Mayors, I had the opportunity to have a subsequent discussion with Phillips and to Siemens, so it's really nice to know that there's something out there that we can also get a -- kind of an analysis of the analysis and I have that material to bring back to you, as well as an independent operator who I met who has just done a similar thing for a city in Michigan. So, it's good and it's happening more on the east coast with other electrical companies and Edison is even beginning, I'm hearing, to be willing to make some movements so thank you for bringing that to us.

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TAB 2 - Engineer's Reports and Ordering the Levy of Assessments for Fiscal Year 2013/2014 for various maintenance districts

Council Member Baca Jr. stated before we go forward with this, you know, Marcus brings up a good point. One of the things that Edison has to change these poles every 30 years; right? And we're looking to acquire them eventually? Well, my recommendation is we ought to take a survey of theirs and ask them to replace them so not only do we get them replaced but we can also get them at a more efficient light usage which is better for us, so even a further savings. So, you know, I'd recommend that we start surveying their poles. Let's start asking them to change them out now. Why wait? I mean let's start putting the pressure on them. They have an obligation to the City, to our residents. They made a commitment. Let's get them to follow through on it. So, let's pressure them and get them to start changing things out ASAP.

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Mayor Robertson stated okay. I think that's part of all that we're doing with the inventory. But we are also asking them to change out to also look at the state of the art types of poles and structures. Also definitely looking at LED and other ways – other lighting systems.

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Motion by Mayor Pro Tem Palmer, second by Council Member Baca Jr. and carried by unanimous vote to adopt Resolution No.(s) 6291, 6292, and 6293 Approving the Engineer's Reports and Ordering the Levy of Assessments for Fiscal Year 2013/2014 for Street Lighting District No. 1, Landscape Maintenance District No. 1, and Landscape and Lighting Maintenance District No. 2.

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TAB 3 - Amend Resolution No. 6209 to Reduce Sewer Connection Fees and Sewer User Charges for Commercial Extraterritorial Sewer Customers

Marcus Fuller, Public Works Director presented the staff report regarding Amending Resolution No. 6209 to Reduce Sewer Connection Fees and Sewer User Charges for Commercial Extraterritorial Sewer Customers.

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Mayor Robertson stated I have a question -- a clarification. We're talking about the commercial properties and the sewer hook-ups but did I hear you correctly, saying that that impacts the CPI for all of the residential customers?

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Marcus Fuller, Public Works Director asked did I say residential? Sorry, commercial.

Mayor Robertson stated I want to make sure we're talking about it will show an adjustment upward on commercial.

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TAB 3 - Amend Resolution No. 6209 to Reduce Sewer Connection Fees and Sewer User Charges for Commercial Extraterritorial Sewer Customers

Marcus Fuller, Public Works Director stated the 2% CPI adjustment would be effective for all rates. This reduction alone is not the reason for that. There is an increase in all sorts of expenditures that are built into the future estimated expenditures for the next Fiscal Year so that 2% CPI was assumed to be included in those rate increases. What was identified in the actual Notice was a rate established based on estimated costs plus a CPI that would have to be added on top of that. I just wanted to qualify and bring that to your attention because the concessionaire actually requested I make that point and, again, this reduction of \$38,000 a year is not the reason why we would need to do a 2% CPI adjustment to the rates. It's just overall cost increases through the whole Utility Authority.

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Mayor Robertson stated because you said that the concessionaire wanted you to bring that point in context with this, that's why I was trying to understand why are we needing to have that brought up. I think we were going to assume that there was a normal CPI adjustment. This isn't going to take us over the CPI?

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Marcus Fuller, Public Works Director stated No.

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Council Member Hirtz stated I don't have a problem with the reduction in the out of the city boundaries for these six particular properties. I have a problem with us giving away or allowing usage of such a scarce and valuable asset. If somebody wants to use City services, they ought to consider annexing into the City and bearing the full costs of what it is to be a part of a community; not just picking and choosing what are the best assets and then trying to negotiate down the costs of those assets. So, although I will support this, I will be very skeptical about supporting either residential or commercial in the future.

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Mayor Robertson stated I wanted to clarify because you said we were making this adjustment for the six but you also said that the proposal is for all future commercial that is still outside of the City limits. Would you mind elaborating on why? Because I know we were also trying to discuss with the County the possibility of accommodating this request but also incorporating and having those businesses annexed into the City, the commercial area, so where did that discussion go? Nowhere?

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TAB 3 - Amend Resolution No. 6209 to Reduce Sewer Connection Fees and Sewer User Charges for Commercial Extraterritorial Sewer Customers

Marcus Fuller, Public Works Director stated well, we've continued to dialogue with Greg Devereaux and the County to be able to do that. The challenge isn't necessarily with the County; it comes with LAFCO because we choose to carve out an area of maybe a potential area we want to have in the City, they want to always add more to it and sometimes the cost that we're looking at is sometimes a residential cost to bring in -- we can't just take the commercial. We have to take some residential. The costs are driven up with that. So, there's where our negotiations are going with them. If we could draw the line it would be much better but when LAFCO gets involved and they start drawing the line it makes it more difficult, when they start throwing in residential. So, we continue to dialogue with Mr. Devereaux and his Staff, as well as the Staff at LAFCO, but it will be definitely a negotiation process.

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Mayor Robertson stated thank you but then the other part; why the proposal for all future?

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Marcus Fuller, Public Works Director stated the basis for what we can charge for extraterritorial customers, residential/commercial, is established with that new rate study, which demonstrated that when we're operating as a private utility for customers outside the City, the appropriate rate to charge is 1.3 versus three times and so, on that basis, we're recommending it apply to any future billing.

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Council Member O'Connell stated back when I started, extraterritorial businesses as well as residence, what we end up doing over the last -- including the City, what we ended up doing over the next four years, we're doubling everyone's rates, if not more. A study was done at that time and residential and businesses were paying three times as much. The rate study, basically, stated that they have already paid enough money for the connections -- for the costs of the connections and so what we ended up doing is we lowered their rate to 1.3%. So, they are still paying a little bit more than the residents. But at that particular time we decided to keep the commercials, there's six businesses, at the three times rate until we gave Rialto Water Services and Veolia, the ones that are operating our water system. Since they took over in November, and this was December, one of my concerns was that we would lower our cushion to a point that we could maybe have to go back to the residents and ask for more money and the analogy I used at that time was we will help our neighbors but we take care of our family first; family being the businesses and residents within the City. The neighbors being everyone else outside. What we decided to do at that particular time is we would revisit six months later. This is the six month point.

TAB 3 - Amend Resolution No. Council Member O'Connell stated we've given Rialto Water

6209 to Reduce Sewer Connection Fees and Sewer User Charges for Commercial Extraterritorial Sewer Customers

Services and Veolia enough time to evaluate if we have enough cushion and according to what I have read and spoken to, we do have enough cushion that they feel comfortable moving forward. I do agree with fellow Council Woman Lynn Hirtz. We need to somehow encourage them to come into the City or at least so we can get sales tax. But at this point, being fair, I would support moving forward on it.

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MAYOR ROBERTSON: I had one member of the public that had indicated they want to speak on Tab 3 so I do want to let Mr. Tuan Nguyen come up.

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ORAL COMMUNICATIONS

Tuan Nguyen, 18790 Valley Boulevard, Bloomington. I'm one of the six that's affected by the three time rate. I'm here to support the reduction of the rates. Like earlier, Mayor Robertson mentioned, a decision of some would affect a lot of people. For example the employees. It means whether they have a job tomorrow or they don't. For me, it is whether I still have my business tomorrow or I don't. Sometimes when we look at numbers, it's just numbers but we don't see a face attached to it and I'm here to attach that face to that number. I have a family and I've been hit by the recession and I'm just staying afloat. If we continue to charge three times, I will probably be out of business within the next few years. I'm just trying to be responsible and holdup my end and I'm here to ask Council to, besides looking at the number, besides asking whether it's fair for the family or not, to support this.

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Motion by Mayor Pro Tem Palmer, second by Council Member Baca Jr. and carried by unanimous vote to Adopt Resolution No. 6294 to Amend Resolution No. 6209 to Reduce Sewer Connection Fees and Sewer User Charges for Commercial Extraterritorial Sewer Customers.

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TAB 4 - Healthy Cities/Communities Projects Funding from First 5 San Bernardino, for a 2-Year (2013-2015) Program

City Clerk Barbara McGee presented the staff report regarding Healthy Cities/Communities Projects Funding from First 5 San Bernardino, for a 2-Year (2013-2015) Program.

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**TAB 4 - Healthy
Cities/Communities Projects
Funding from First 5 San
Bernardino, for a 2-Year (2013-
2015) Program**

Council Member O'Connell expressed to Ms. McGee, congratulations on a great job. One of the things, and I was trying to find it real quick, in our budget book, and I wasn't able to, but it lists how much money -- and maybe the City Administrator, off the top of his head, will happen to know. How much money we've actually accepted from grants. I know the police department has done a great job, the fire department, Barbara McGee's department, and almost every single other department here, and I know somebody's probably holding it up and I can't see it. How much? \$13.9 million dollars was brought in by the department heads here and as a citizen here, I'd like to say great job on that because that definitely has an impact on the bottom line.

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Council Member Hirtz stated I want to congratulate Barbara also but I just have one item that, you know, my husband attended the Farmers Market last week and he got some great strawberries, some wonderful apricots, and about six varieties of cookies, so I don't think he got the Healthy Rialto part yet.

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Mayor Robertson stated in defense of Mr. Hirtz, eating cookies can be healthy. You have to do moderation. Good point and I just want to add that the vendor that he probably secured those cookies from, they were healthy cookies, without any preservatives, freshly baked. I too would just like to applaud the City Clerk's efforts and also just the on-going building, like a building block, upon our Healthy Rialto Program and all of the different elements that we keep adding to it from not only this but the Seniors, I was there two weeks ago. We needed 100 seniors. The county didn't think we could find 100 seniors that would be able to secure those \$20 dollars vouchers. The goal was, of course, that they could spend them there, as well as they can use them anywhere in the community but we definitely like them to spend with the certified Farmers Market vendors and like she said, we hit 93 and then provided 11 additional names so there's always, you know, a need and resources to bring to the City. I too just want to comment that \$13 million to be brought in by all the department heads, including the half million dollar grant or what did you say, roughly a quarter million for two years, half million, and focusing now on First 5 means we're really going to focus on children that are five and under and start trying to affect their behavior. Of course we still have to work on effecting the parents' behaviors as well. I also appreciate the City Administrator is working with me that we actually have our own grant strike team that each department head is bringing someone so we can really aggressively look at all grant and funding opportunities that we may not think about in our normal course of work. There is going to be some additional new grant opportunities coming as it relates to the Affordable Care Act and Health.

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TAB 4 - Healthy Cities/Communities Projects Funding from First 5 San Bernardino, for a 2-Year (2013-2015) Program

Motion by Mayor Pro Tem Palmer, second by Council Member Hirtz and carried by unanimous vote to Accept the Healthy Cities/Communities Projects Funding from First 5 San Bernardino, for a 2-Year (2013-2015) Program in the amount of \$548,600 and approve budget Resolution No. 6295 appropriating the funds.

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TAB 5 - Technical Consultant Services to Assist with the National Pollution Discharge Elimination System (NPDES) Program

Marcus Fuller, Public Works Director presented the staff report Technical Consultant Services to Assist with the National Pollution Discharge Elimination System (NPDES) Program.

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Council Member Baca Jr., second by Council Member Hirtz and carried by unanimous vote to approve a Third Amendment to the Professional Services Agreement with Lynn Merrill in the Amount of \$59,760 for Technical Consultant Services to Assist with the National Pollution Discharge Elimination System (NPDES) Program for Fiscal Year 2013/2014 for a Total Contract Amount of \$214,599.83.

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TAB 6 – FY 2011/12 AB1600 Development Impact Fee Report

Robb Steel, Assistant City Administrator presented the staff report regarding FY 2011/12 AB1600 Development Impact Fee Report.

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Council Member O'Connell stated all I heard was funds were being used, co-mingled, bookkeeping errors, adjustments, occurred in the past. You said something was going to be broken up for five years so that it can be spread out. I need to find out what funds were used when, how long ago, what dollar amounts, how do we prevent this from happening again, what systems are we using to be broken up over so many years. We have to spend what we make. We can't be moving funds around -- and this is not a reflection on you. I appreciate you bringing it up. But we need to find out how it happened, how to prevent it, and let's be public about it. So, I'd like to somehow address this and get a report back to the Council exactly on what happened where and when.

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Robb Steel, Assistant City Administrator stated we attempted to do that in the report. The long report that you've got; fund by fund. And every time use of these funds comes up, just to kind of explain the process, Staff should be looking at it, trying to determine if it's in the Master Plans, because that's usually the basis for the adoption of these fees. in some cases, there's an attempt to stretch it if the funds are needed. Several of these items were actually submitted to Council in reports and Staff made the recommendation that the Council use these funds so we've taken a second look at it and we've kind of determined -- and we're doing the right thing here.

**TAB 6 – FY 2011/12 AB1600
Development Impact Fee Report**

Robb Steel, Assistant City Administrator stated We're saying hey, we caught these things. Let's fix it now so that we can make the findings with a clear conscience. So, I think we've tried to do a better job at the Staff level now in making sure when a department requests an expenditure that it is a Master Plan facility or it's a facility that can be added to a Master Plan because it accommodates growth and it's not just a repair and that's usually the issue you run into. It's a repair, a replacement, and that's not an appropriate use of Impact Fee Funds.

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Council Member O'Connell stated let me clarify. Thank you for bringing this forward. My directness is not directed at you. It's just one of the things that I feel, as we go forward, we just have to be completely honest and that's what you're doing and so, from that perspective, thank you for bringing it forward.

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Robb Steel, Assistant City Administrator stated you mentioned the five years. Just to soften the impact on the General Fund we decided or recommended that you break up some of these payments into five equal installments. As you pointed, you say you like to get conclusions to things and it would be your choice if you want to do it in a one-year type thing and get it all corrected quickly but we thought this would kind of cushion the blow a little bit.

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Mayor Robertson asked more importantly, I guess my thought was why this wasn't brought up in some of our annual audit reports as well, I mean, I can appreciate, you know, we found it, you found it, and we're correcting it, but is this not something that an auditor would catch as we go, at the end of the year, looking at where funds were used and if they were inappropriate -- being extracted from the appropriate fund account?

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Robb Steel, Assistant City Administrator stated that is absolutely something that the auditor should be doing. The report has been provided to our current auditors and will be provided to our subsequent auditors that were just recently hired. It is a question that I have of them, as well, to figure out why they didn't discover this when they went through the audit process during those Fiscal Years. A lot of it, as long as we reported it correctly, which we had on previous reports, Annual Reports, I think they don't spend as much attention to it or as if there's some kind of inquisition into it. But I do have that same question for our auditors who represented our audit findings in these various years where the errors were made and we are addressing that with them.

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**TAB 6 – FY 2011/12 AB1600
Development Impact Fee Report**

Mayor Pro Tem Palmer asked to clarify, so, you're saying that's something that they probably should have caught. When they made their audit they should have picked that up?

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Robb Steel, Assistant City Administrator stated yes.

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Mayor Pro Tem Palmer stated we need to find out why they didn't pick that up? Because we pay a lot of money for our auditors.

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Mayor Robertson stated oh yes. And is this just the one-year period? I'm sorry if I didn't catch this concern that we're rectifying, resolving -- is this over a one-year period or is this multiple years?

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Robb Steel, Assistant City Administrator stated The errors have been over the five-year period, which we looked at.

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Mayor Robertson stated over a five year period. So, we've been paying auditors annually and so for five years no one's caught it?

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Robb Steel, Assistant City Administrator stated the entire term of the contract that they had, which includes these years. And so, as you know, you've just recently hired new auditors that begin in a few weeks to review the current year financials but, yeah, it is a question that we will be asking and posing to our old auditors.

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Mayor Robertson stated perhaps that will be a conversation with legal for looking back at things that you would catch -- that a consultant you pay to deal within the realm of what they're to deal with and to not capture it but anyway, again, --

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Robb Steel, Assistant City Administrator stated I would just say in their defense, I mean, some of these things, you know, take people like us to dig down into it and determine whether it was maintenance or accommodating growth so, I mean, we have to participate in that decision too. So, some of these were kind of borderline so I don't want it to sound like they're egregious errors. You know I've seen cities accept these projects and say that, you know, just turn the other way and let it go but, again, we're here kind of before you in the interest of transparency to say we think these kind of pushed the envelope and it would be better to put them up front and deal with it.

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**TAB 6 – FY 2011/12 AB1600
Development Impact Fee Report**

Motion by Mayor Pro Tem Palmer, second by Council Member Baca Jr. and carried by unanimous vote to (1) Adopt Resolution No. 6296 Approving the FY 2011/12 AB1600 Development Impact Fee Report and Making Certain Findings; and (2) Adopt Budget Resolution No. 6297 Making Certain Adjustments to the Storm Drainage Fund, Traffic Impact Fund and Sewer Treatment Fund.

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**TAB 7 - Annual Maintenance
Agreement with Tritech Software
Systems for Computer Aided
Dispatch System**

Police Chief Farrar presented the staff report regarding the annual maintenance agreement with Tritech Software Systems for Computer Aided Dispatch System.

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Motion by Council Member Baca Jr., second by Mayor Pro Tem Palmer and carried by unanimous vote to approve Records Management System, Mobile Data System and Computer Aided Dispatch System Annual Maintenance Agreement in the Amount of \$92,314.07 with Tritech Software Systems for Fiscal Year 2013-14.

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**TAB 8 - Production and
Distribution of Three Issues of the
Rialto Progress Community
Magazine**

George Harris, Administrative and Community Services Director presented the staff report regarding the Production and Distribution of Three Issues of the Rialto Progress Community Magazine.

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Council Member O'Connell stated \$125,000 is a lot of money but the magazine is amazing. I've heard a lot of people say a lot of great things about it. I noticed that we're looking at maybe having an advertising section, which would be great for businesses. It says something about there might be an additional charge for that? Are we going to be able to balance it out with the actual cost of the advertisement?

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George Harris, Administrative and Community Services Director stated no, the advertisement will be revenue to offset the cost. And so, the idea is to generate revenue to help pay towards the \$127,000 to help reduce the costs and the impact to the City.

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Motion by Mayor Pro Tem Palmer, second by Council Member Baca Jr. and carried by unanimous vote to approve Annual Purchase Orders to Facilitate the Production and Distribution of Three Issues of the Rialto Progress Community Magazine, in the amount of \$25,500.00 (\$8,500 per issue) for Little Bear Productions, in the amount of \$78,405.00 (\$26,135 per issue) for Clearwater Graphics, and in the amount of \$23,955.00 (\$7,985 per issue) for the United States Postal Service.

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TAB 9 - Renewal of Professional Consulting Agreement for Legislative Advocacy Services with David Turch and Associates

Robb Steel, Development Services Director presented the staff report regarding Renewal of Professional Consulting Agreement for Legislative Advocacy Services with David Turch and Associates.

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Council Member Baca Jr. stated I know that you know we're spending a minimal amount. I know that we no longer have a Sacramento lobbyist and I'm just trying to question the need for a Washington, D.C. lobbyist because I listened to your comments and your report and I read the report thoroughly but in regards to making appointments, can our Staff make appointments? Can we meet with our local representatives and use them and do a lot of this in-house as opposed to paying someone in Washington, D.C. and having to reimburse them for any costs that we have. I know this is, you know, not a great amount of money but \$65,000, you know, could go towards a park or towards something we have within the City and as needed we go after these with the appropriations being gone, is there a need for this? Can we do without it, is my question.

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Robb Steel, Development Services Director stated I know in my department that David's help has been valuable with respect to the airport closure and we still have some on-going issues there. I've been discussing with him some legislative solutions issues we have up there so I would say, for my part, I mean, there are some services that we still require from a Federal lobbyist.

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Council Member Hirtz stated I would somewhat agree with what Council Member Baca has been saying and are we getting value. It may only be \$65,000 and I know that the firm is well respected and that they've done a good job for us in the past but we're giving a hard look at all contracts, asking employees to take a hard look at what their benefits are, and also looking at all outside consultants so \$65 isn't that much but could it be \$30,000 rather than \$60,000 and do the same benefit for us? Could it be a minimal two or three thousand a month and if he got into something really heavy with the final closure of the airport he could bill us on an hourly basis. I'm just asking if there are options besides the oh, here's the David Turch contract -- we'll move right on again.

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Robb Steel, Development Services Director stated we can certainly go back and ask him. He did take a cut, I want to say three years ago, from \$100 to \$60. That was, basically, when activity at the airport was slowing down and we asked him to take a cut, similar to what you're asking, so I think Mike and I can go back and see if there are some further cuts.

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TAB 9 - Renewal of Professional Consulting Agreement for Legislative Advocacy Services with David Turch and Associates

City Administrator Story stated we can go back and look at the cuts but I can, you know, from my point of view, just from the time I've been City Administrator, and I worked with David when I was in Development Services too. In my opinion, he's been invaluable, as Robb has said, regarding the airport and whenever I need to make a call to Washington or I need to call back there, I can get a hold of him and he -- if I can't physically be there, he can at least get me an answer within that day and to follow-up with some of the other elected officials back there and everything which I can't do, you know, he makes a number of trips out here also to provide updates, I know, to Staff and to myself. On a frequent occasion he puts out, I know, a monthly summary of what he does but we'd be more than happy to go back and look but, you know, I understand and I'm, you know, there isn't anybody that squeaks more than me up here, how to try to, you know, get more for less from somebody, but I speak highly of David and what he's been able to do. Just from my time here, he's been invaluable to me, to help me as the City Administrator.

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Council Member Hirtz stated Maybe it would benefit all of us to have a copy of this monthly update. I've never seen a monthly update in the couple of months I've been here.

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City Administrator Story stated I can provide that and I'll make sure also that he emails it to you also as he provides it to me.

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Mayor Pro Tem Palmer stated what I'm hearing from the rest of the Council Members, I kind of agree. As we look at these contracts that are coming up for renewal, we have to kind of look at what's the return we are getting from the money we spend. That's what's missing in the report is we're spending \$65,000 but what's the value of what we're getting in return for that \$65,000? As a businessman, I want to -- I'll be happy to spend \$60,000 if I'm getting two to three hundred thousand dollars in return so whether it be he was instrumental in getting this kind of a grant or that kind of a grant, it would be helpful to know this is what we are getting for the money rather than just he's available for phone calls and stuff like that.

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Council Member Baca Jr. stated my question is how many Federal grants have we gotten.

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TAB 9 - Renewal of Professional Consulting Agreement for Legislative Advocacy Services with David Turch and Associates

Mayor Robertson stated the fact that I know that we have had access, especially on some critical projects that we're working on and we haven't brought closure to, I can appreciate that everything that we're bringing forward and we're wanting to re-evaluate it and re-visit it, and I also think that, you know, if necessary we can have Staff take this contract and we can defer it. I don't know if this is something that we need to have to act on or address before the end of this Fiscal Year close and see if there is something else that could be looked at in the way of hours. I would like to say that this, for me or for the City, is not the time for us, all of the sudden, to decide that we don't need to have access. We already know that our legislative body in Sacramento is basically acting totally dysfunctional. It's hard to even look to them to expect to get anything done and at the Congressional level, while we sit, one of the cities, when we happen to have the benefit of two Congress members; one being Democrat and one being Republican, we still need to have someone who has access and the ability to get into their office and get answers or more important, put our issues, which happens to be one of a multitude of many issues in this region, in front of somebody so that we can get answers and move forward. So, you know, while we sit here and we want to really wonder what's the value? I think if we decide that we no longer feel we need to have access at the Federal level, we're going to eventually -- we're going to immediately start seeing the value. We have still a project - and the dollars are shifting at the Federal level, in case you didn't know. The dollars, yes, the dollars aren't going to be any more in just the highways and the concrete of the freeways, but the dollars are going to be in special pots with special interests and we do have some projects in this area, especially the Riverside Avenue structure over the railroad that is going to require that we get someone's attention to help us get additional dollars to that. That's the role that David Turch has played. Now, for many years, while I've sat here in Council, all of you have gone back at different times with the exception of Council Member Hirtz and Council Member O'Connell. And I've gone back there at times with you or not with you but how we go about and how he assists us in accessing not only the Staff of the Congress and the Senate, but also of key department heads, is very valuable and also making sure that we get to talk to or put before what we want to talk about. I will suggest if this is something that all the sudden we're going to start really assessing what do we need and we think we can do it all on our own, then I would ask that we table this and let Mr. Turch take the opportunity to either present some updates to you as best he can, given the situation, because I think when we went into session today, if I'm not mistaken, it was a Congressional member that was holding a filibuster on the floor and was going to try and succeed until midnight and, you know, so that's the kind of activity and behavior that we've got going on at the Federal and State level.

TAB 9 - Renewal of Professional Consulting Agreement for Legislative Advocacy Services with David Turch and Associates

Mayor Robertson stated a lot of things are not getting accomplished; I spent this last weekend at the U.S. Conference of Mayors, recognizing the pitch that if we want to get something done, it's going to have to happen at the local levels because we're not getting it done with the Congressional members we've elected but we can still get some things done with seasoned, experienced Staff that sit in various departments for these members who sit on committees. So, I would ask that we pull the item and ask that Mr. Turch have the opportunity to maybe come and speak to why, you know, what we feel is, you know, are we getting the value for our dollar.

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City Administrator stated we'll table it. We'll bring it back probably on July 23rd. We'll give him an opportunity, on his schedule to come and speak to the Council, as well as we'll provide the copies of the last 12 months of his monthly report that we receive as well as we'll work on a summary of the things that were specific to Rialto. We'll put that in the report too for the 23rd.

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Council Member Hirtz stated I didn't mean to imply anything negative about David Turch. I simply meant that it was an example of an on-going contract that we should be looking at in a different way and provided with some additional information. It may be that this is the best price and it may be that there is an opportunity for something. I certainly was not advocating cancelling the contract with David Turch. Just looking at the dollars and what he does for those dollars.

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Council Member Baca Jr. stated just wonder whether, you know, Sacramento or Washington, D.C. is dysfunctional, we still have elective representatives that they've been elected by the people so we still, you know, we need their help and we should ask them to help and in regards to the airport, I know we're getting close to the end. I know we've got a Tab item coming up real soon but, you know, we're just trying to look to do the best we can to do what we can, keep it in-house, and if we can do as much as we can in-house, I mean, let's just try to do it. You know? If there's grants that he's really helped and helped us to deliver, which I don't know what those grants are. I know that, you know, our Staff has done a lot of research and gotten grants on their own with some of the cops grants, some of the fire grants, some of the other things but, you know, we really got to get our elected officials here locally to, you know, we need their help. Hey, let's get these meetings for us. Let's use them. That's what they were elected for so that's all I had to say.

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TAB 9 - Renewal of Professional Consulting Agreement for Legislative Advocacy Services with David Turch and Associates

I'm one vote. I represent certain constituents within the City. I look here and there's five of us. Apparently four – three or four of us are asking the question, not necessarily of David Turch, but we're asking the question, we're going to be paying \$65,000 for what? Apparently there's information. I don't necessarily need to meet up with David. I would like to look back on what he can provide us and then I will vote accordingly. It sounds like the City Administrator and a few other people have stated – by the way I respect you – that he – and the Mayor – he has been valuable to us but at this point, three or four of us have not seen that value and that's the issue we're having right now. And I believe it's important to discuss it in public because this is the only opportunity we get to discuss it, but I look forward to looking at all that information, as well as my fellow Council Members, I'm sure they'll look forward, and we can move forward and make a decision on this. But I do appreciate, yeah, let's table it until which time we can review it as Madam Mayor has suggested.

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Mayor Robertson stated because if it's an item and there were some concerns, it would be also nice – not that it wouldn't have been a public discussion, but to be mindful of that so that we could have the consultant have the opportunity to also be here or to bring forward exactly the things that you haven't seen or what you'd like to make sure you understand; how you're getting the value. So, the reason I'm saying pull it and give him the opportunity to present or give you the information you need is just for that because there has been some benefits and no disrespect to anyone up here. That is what everybody is expected to do. But let me also, because it's often said, one, let me just say that, as Staff pointed out, he has made ample reductions when there was a request for there to be an ample reduction and still provided service to the City and everybody would like to know what that is. Some of us have been here – I think some of us know exactly what it's been. Some of us may not. And then, the other thing is I just want to say because Council Member O'Connell, you kind of say this all the time. I think we all – once we're elected, I represent everybody in the City of Rialto, regardless if they voted me or not and so you have a certain set of constituents but we all sit up here, hopefully, I hope, representing all of the citizens in Rialto. So, with that I'll move to Tab 10.

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Council Member O'Connell stated excuse me, Madam Mayor. I'd like to make a comment.

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Mayor Robertson stated you're out of order. I am the presiding officer of the meeting. I said I'm moving to Tab 10.

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TAB 9 - Renewal of Professional Consulting Agreement for Legislative Advocacy Services with David Turch and Associates

Council Member O'Connell stated excuse me. City Attorney? I'd like to have a ruling on this, please.

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City Attorney Gutierrez stated this is not a protocol item in terms of discussion, you know, the Mayor does have the right to regulate the comment but, on the other hand, each Council Member also has a right to speak what they need to say and, you know, I think it's an issue that is not really one that's legal. I think the issue is one of protocol. We have one set forth in the resolution that was adopted some years ago and so, I would encourage the Mayor and the Council Member to resolve that difference as to who speaks and when and for how long and perhaps we could agree on ahead of time deciding who speaks and how many times they speak but clearly everyone does have a right to speak.

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Mayor Robertson stated yes, but everybody has spoken and I thought, as presiding officer, that is what my role is. It's only three things that – and correct me if I'm wrong that I have – and that's presiding officer over the meeting so Council Member O'Connell, I would ask that if you'd like to carry the comment, could you please hold it and we can have it during our General Oral Comment. I'd like to move on to Tab 10.

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Council Member O'Connell stated out of respect for that, I will, but this is the first time in many years that I've watch that a councilman or woman has been bypassed by the mayor. This will be the first time and only time that I will do so and I will hold this time to the final discussion.

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TAB 10 - Rialto to Rename the B. F. Goodrich Superfund Site

City Attorney Gutierrez stated this is in regards to the naming of the B.F. Goodrich Superfund Site. When the United States Environmental Protection Agency established the 160 acre site as a Superfund Site, it named it the B.F. Goodrich Superfund Site and with good reason. That was because B.F. Goodrich was one of the prime responsible parties that contaminated that site. Last month, on May 24th, the U.S. Environmental Protection Agency published a Notice in the Federal Register stating its intention to rename the site to the Locust Avenue Superfund Site and our corporate lawyers are aware of it; they brought it to our attention and I circulated that to the City Manager and Mr. Steel, about how those renaming would affect the City and I think we all believe that renaming it the Locust Avenue Superfund Site would not only stigmatize the City but shift the burden of the responsibility for the contamination from those who contaminated the site to the City.

TAB 10 - Rialto to Rename the B. F. Goodrich Superfund Site

City Attorney Gutierrez stated I prepared a resolution for you to adopt which does the following: One, it is addressed to the U.S. Environmental Protection Agency. It asks – it states what our opposition is and why. It asks them to abandon their efforts to name the site the Locust Avenue Superfund Site and to work with us to come up with a name. In fact, the resolution suggests two names. One is the “San Bernardino County Superfund Site” and the other one is the “160 Acre Superfund Site” and it allows the City Administrator to work with the U.S.E.P.A. to bring that about. And I prepared a resolution for you. If it meets with your approval, please adopt it, and we’ll see that it gets to the U.S.E.P.A. and we’ll work with them to try and bring a name other than one that links the Superfund Site with the City of Rialto.

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Council Member Baca Jr. stated my question is are we going to ask Staff to give us a recommendation other than the B.F. Goodrich Site and what does this mean with our settlement with B.F. Goodrich? Does it have any bearing, I'm just curious where we're going to go with this. I know they want to change the name for their sake because they don't want their name on it but where are we going to go with this is the question to Staff.

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City Attorney Gutierrez stated the resolution speaks to that. What we're communicating -- what we've been asked to do is to have the City Council adopt a resolution that communicates the City Council's opposition to renaming the site to the Locust Avenue Superfund Site. It asks the EPA to abandon that effort. It suggests two names that don't connect the site to the City of Rialto and stigmatize the City and the property owners along Locust Avenue with the fact that there's contamination here. And so, that's the purpose of the resolution.

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Motion by Council Member Baca Jr., second by Mayor Pro Tem Palmer and carried by unanimous vote to Adopt Resolution No. 6298 Requesting the EPA to Cooperate with Rialto to Rename the B. F. Goodrich Superfund Site.

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TAB 11 - Transfer of Certain Aviation Assets by and between the City of Rialto and the San Bernardino International Airport Authority

Robb Steel, Development Services Director asked that this item be removed from the Agenda and tabled until the next meeting, since they received late comments from SBIA.

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**TAB 12 - Security Guard and
Patrol Services**

Marcus Fuller, Public Works Director presented the staff report regarding Security Guard and Patrol Services.

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ORAL COMMUNICATIONS

Michelle Quesada stated thank you for the opportunity. I'm the founder and owner of Contact Security, Inc. The reason Gary and I, my Vice President, came tonight was to introduce ourselves since we're on your agenda. Giving you an overview, I'm the founder and owner of the company. We started in 1992. We have a large basis of services, whether it be industrial, commercial, government, etc. We do armed and unarmed services. A tremendous amount of focus in the Inland Empire. I happen to be a resident in the Inland Empire so it's always kind of nice to go by and see everybody at work. I think you may have some questions?

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Gary Moore, Vice President for Contact Security, corporate office is in the City of Brea but the majority of our business is held in the Inland Empire. I have a lot of experience dealing with municipalities. We currently do the City of Perris and the City of Rancho Cucamonga. I'm the one who oversees those accounts. I would also be responsible for overseeing this account and have a direct liaison with the city representatives on a day-to-day basis if needed. It would be my responsibility to handle the account. I would like to thank everybody for the opportunity.

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Brian Hanhart, 623 North Wilmington, North Marine, in Wilmington, California. I'm the Chief Executive Officer of General Security Service. As you've heard from your Staff, we've been providing services for the City of Rialto for many years; almost 18 years. We've been a partner in providing the service with the City of Rialto. Everything from being an integral part when the City went to a bid process for the downtown area to bring it to the standards that it is now. Couple years ago, we were asked as partners to lower our price to help the City with its budgetary struggles, which we did. When we compare prices now, you need to understand that it's a different scope of service. Lot more hours, lot more amortization, less vehicles, so the price obviously is allowed to come down with the new scope of service. What I would like to make sure that you understand is we are almost \$19,000 less per year for our service as proposed. He gave hourly rates but Contact is at \$302,175.12. General Security Service is at \$283,228.92. That's almost \$19,000 a year savings.

My grandfather started the company 69 years ago. I am not the founder of the company; my grandfather was. I've been working in this industry since I was 16-years-old. I used to go out and change time clocks as a kid. My degree is in this industry. My love is in this industry and my employees reflect that.

TAB 12 - Security Guard and Patrol Services

Brian Hanhart stated we have employees that have worked for the City of Rialto for well over 10 years, servicing the City and treating it as if it was their own neighborhood. When it comes to servicing the area, yes, our corporate office is in Wilmington, but we have a branch office in Riverside, at La Canita Drive. It's approximately about an eight to 10 minute drive from our branch office to this area; about 12 to 15 minutes on back roads during traffic times. We have around the clock supervision that comes and checks the City of Rialto four or five times a week. We have backup supervision from our office in Wilmington.

I'd just like to say in regards to the proposal, the error of the bicycle charge was an error in the proposal and the talk about the overtime hours was only for if there was time that you were requesting additional services outside for emergency services. We never changed our actual cost sheet and our cost sheets are inclusive and will be inclusive and won't change unless there's something that forces us to change, which could happen to any of us in business or in the government and I look forward to being able to service the City of Rialto for another five years, the way we have been for the last 18. Thank you.

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Council Member O'Connell stated I was going through the Staff Report and we originally got 14 companies to submit and seven qualified. Sorry, Marcus, because I don't mean to be putting you on the spot but I have some questions though. It says that according to the evaluation criteria, there was one company, GSS, that did not follow the criteria. Why were they allowed to continue?

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Marcus Fuller, Public Works Director stated frankly, because I felt that their long-term history here warranted them to be further evaluated in the process and so I made that call.

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Council Member O'Connell stated they've been with us since what, 1995? I do appreciate the fact that we are bringing them back forward. That's how we can save money. How much are we paying now, I mean, they've been with us 18 years. How much are we paying per hour and how much did it drop by putting it out to bid?

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Marcus Fuller stated they are currently charging a 10 cent difference so it's \$18.68 and \$18.78 an hour for armed and unarmed guards and plus they do charge overtime rates of \$27.27 or \$27.42 when those guards work over eight hours in a shift. So, the rates are dropping to \$15.58 and \$17.30 for unarmed and armed with CSI and to \$13.34 or \$15.15; they have two rates for unarmed guards. And \$17.58 for armed guards with GSS.

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**TAB 12 - Security Guard and
Patrol Services**

Council Member O'Connell stated so, we're not going to have to pay the overtime with the new contract; is that correct?

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Marcus Fuller stated that's how I understand their latest letter to indicate; correct.

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Council Member O'Connell stated the other question I have is I noticed that they were being charged \$283,000, which is about \$19,000 less but they ended up putting provisions on their contract - did they not? Because I'm showing that it was \$283,000, up to \$248,000, which would include medical and does not include overtime and holidays; is that correct?

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Marcus Fuller stated Correct. Their original proposal did not qualify what the potential cost increases could be, that they referenced applicable to the Affordable Care Act, so the first letter that came was to qualify what that potential impact could be. So, they indicated a \$40,000 to \$65,000 increase to their costs applicable to the contract and so – plus potential costs related to overtime or holiday time as they had indicated in their original proposal.

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Council Member O'Connell stated so, that looks like a \$60 to \$80,000 increase from their base pay? Is that correct?

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Marcus Fuller stated that's the potential, above what they had indicated in their original proposal.

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Council Member O'Connell stated I apologize for putting you on the spot again, but we went back to them. Why did we go back to them a second time?

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Marcus Fuller stated I asked to see if they would consider and make sure that if Council chose, if it was legally possible for you to consider any and all of the vendors, if they rescinded all their qualifications and conditions and that way their proposal was on the same terms and conditions as perhaps any of the other vendors. They chose to respond positively to that opportunity. I will admit that I probably should have inquired with the City Attorney if that was even a legal possibility and I welcome the opinion here tonight.

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**TAB 12 - Security Guard and
Patrol Services**

Council Member O'Connell stated the question I have for you is why did you go back to them?

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Marcus Fuller stated I was requested to. The Mayor and I had had a conversation so I did inquire with them, at the Mayor's request.

Council Member O'Connell stated so, if I understand, the Mayor asked you to go back to this company and ask if they would take off the provisions. Did you go back to any other company? Of the seven that bid, did you, at the request of the Mayor, go back to any of the other six companies so that they would have the ability to bid or re-change their bid in this process?

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Marcus Fuller stated I did not because as far as I know, the other six had no conditions or qualifications that would have required reconsideration. So initially, again, Staff could have disqualified the proposal from GSS on the basis of the language in the RFP and I did choose, on my own accord, to continue to consider evaluating that firm. I do not know if it's appropriate to entertain their second letter that eliminates all of the qualifications and conditions that were in their original proposal. I'll leave that to the City Attorney or the Council to consider that, which is why I'm continuing to recommend that the award go to CSI.

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Council Member O'Connell stated one thing I did notice here is that during the Staff Report, you did detail everything that you did. You also are going with the original request, which was CSI. The only concern I have is that we, as elected officials, should be part of the selection process, at the end. You know, I feel for you that you were put on the spot to go back to one company and ask for them to change their bid, that would come in lower than everyone else. It's just that it does not pass the smell test and, as such, I think we should go with the original proposal by yourself. I think that we need to look at policy and procedure on how we select companies and our involvement up here and how we should be directing Staff to contact one or any other particular companies because there are or six other companies involves and it can just look bad.

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Council Member Baca Jr. stated my question is, Marcus, what are their shifts for the security? Their hours, for shifts.

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TAB 12 - Security Guard and Patrol Services

Marcus Fuller stated at the Metrolink, they are there 15 minutes before and after the last and first departing train. So, it's almost all day, Monday through Friday. It's 21-1/2 hours and then 18 hours a day on Saturday, and 15-1/2 hours on Sunday, so that's just at the Metrolink. Currently, city-wide, they roam around and it's essentially 7:00 P.M. to 6:00 A.M., so 11 hours a day.

Marcus Fuller stated that's what's in the current contract. We've added some additional shifts, as I've indicated and requesting your approval of, which would be essentially five hours a day, Monday through Friday, at the Carl Johnson Center, at the Skate Park, and then 10 hours a day, on Saturday and Sunday, so we're trying to deal with the issues that we've had there at that facility. Three hours a day, Monday through Friday, at the Senior Center and a shared shift between the Senior Center and the Fitness Center of five hours a day, Monday through Friday. And then, a little shift, two hours a day, Monday through Friday, at the Racquet and Fitness Center.

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Council Member Baca Jr. stated my question is to Chief Farrar and I know that we're dealing with this issue now and I don't know, would it make more sense down the line for – I know we've had this discussion is to hire Park Rangers. I don't know if it makes sense but it's something to consider, you know, instead of going with these companies, we hire our own Park Rangers to Metrolink, parks, fitness center, whatever our facilities, I mean, would that make more sense? I'm just throwing it out there.

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Police Chief Farrar stated I mean you could. Park Rangers would be a little bit specific to some of the actual parks themselves, other than some of the other places that you have them patrolling. Another option would be – and I don't believe it's explored but we could certainly look at it, would be to have like some communities actually have their own City Security Officers that do that. I really don't know what the cost is for something like that but that could certainly be something that we could look into.

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Council Member Baca Jr. stated I want to make sure the direction is clear, because I know that there's always concerns, we get complaints. We had a gentleman come here a few weeks ago and are they doing their job, are they not doing their job, and it just comes down to accountability. If we have our own people do it in-house; would that make more sense? It's just food for thought as we're looking at this contract and tearing it apart, where do we go, you know, a year from now, two years from now. Do we want to re-visit this every year? Every five years? Or do we want to, you know, potentially look at hiring our own staff to address this issue.

**TAB 12 - Security Guard and
Patrol Services**

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Mayor Pro Tem Palmer stated thank you. As I was reading the Staff Report I kind of concurred with Council Member O'Connell. I didn't go in-depth as that but as I was reading it, I'm kind of wondering. They've been here for 18 years so I'm wondering if they've gone through this proposal before or if we've just automatically renewed without going back out to bid before or -- that's one question I had but then, we have something in the law that's called "the appearance of impropriety." I mean if it just even looks like it's not the proper thing to do, even though it may not be, you probably shouldn't do it. And again, you owned up to that, saying maybe I should have asked the City Attorney, got some decision on whether I should have gone back to them. I've gone through the last five years. A lot of RFPs now and when it didn't meet the qualifications, whether it be Public Works, whatever it was, it was not given a second thought. It was just kicked out. So, just on the appearance of it, because they've been here for 18 years, you went to them and said look, it's not really what we asked for. Would you change it? To me, that smacks a little bit -- it's improper. As far as I'm concerned it's got that appearance to it but I appreciate you bringing it forward to us.

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Council Member Hirtz stated I would be unable to support this action this evening because of the appearance of impropriety. In addition, I can't get a handle on the relationship between a security company and the police. It looks like if we're spending 300 and some thousand dollars we could have a couple of more people in uniforms who are -- and maybe there is a need for security people. I'm not negating that so I'm saying I'm not supporting this tonight and if it is not voted on tonight and it comes back to us I would like additional information involving the relationship of a security company to a police department in a local community.

Mayor Pro Tem Palmer stated for the appearance of impropriety I was talking about was not to the firm that was recommended. It was to the one that -- it was the lowest bidder that came in second on the list, I guess, as far as charging so I would want to move forward. I don't think we need to put our City in a position, at this point in time, where we don't have security at the Metrolink and the other parks that we're worried about. When does this contract run out? The end of this month?

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Marcus Fuller stated yeah, the current contract ends June 30th. I just want to point out the contract we have with SANBAG requires that we have security, at least at, the Metrolink Station.

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**TAB 12 - Security Guard and
Patrol Services**

Mayor Pro Tem Palmer stated right. So, I think we need to act on this tonight.

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Mayor Robertson stated in light of the fact that we seem to be talking about some levels of impropriety?

Why don't we start with my intervention into this whole thing, Mr. Fuller, as well as City Administrator, why I was brought into it or engaged and correct me if I'm wrong, City Administrator, would you perhaps like to give the background as to how I, as the Mayor, found myself engaged in looking at what was occurring and I think we'll start with a Council Meeting back when one of our residents, who came to the City Council, who prior to coming to City Council that night had called me on Monday and alerted me to his concern, which he expressed at the podium the Council Meeting back, about the fact that we were getting ready to award a contract to someone who was another vendor, outside of the area. He actually raised to me about my concern about always trying to get businesses local and hiring people local, which then caused me to call the City Administrator to figure out what was going on and why and what was Mr. Phillips, a resident, speaking of. So, I would appreciate if you could speak to that because I then referred him to you so that we could figure out what his concern was and then, Mr. Fuller, perhaps you could further speak to why we had the conversation and why I asked you to look at it because just what you said, you had choose, not I, to make a decision that the person, the business, hadn't met the initial test should not have even been in the cut. If we stay consistent with the RFP processes we use, General Services would not have been in the cut because General Services did not respond to the RFP as it had been requested. So, City Administrator, could you add something to it please.

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City Administrator Story stated sure, we'll go back to the Council Meeting when the resident, Mr. Phillips, came before and was questioning a number of things. Whether, you know, the fact it was getting rather uncomfortable at that point about his comments about GSS or CSI and those particular things and, you know, we were -- I think the City Attorney and I were rather concerned about where he was going with all this. But after he had that confrontation and actually, to be quite honest, my question was like what was his concern. He made numerous requests, I know, of the Mayor and other Council Members to provide information. He called me. I was still trying to figure out what he was looking for. I was able to provide him some of the additional information on what the process we used was but, you know, because he's in the security industry, did he work for one of the companies? I was that, blatantly upfront with him.

TAB 12 - Security Guard and Patrol Services

City Administrator Story stated I had a meeting, along with the police chief and Lieutenant Wilson and Mr. Fuller to discuss it in more detail, just to find out where he was really headed and what he wanted to talk about. And so, we were able to sit down and, I think, between the four of us we were able to discuss what his concerns were and what it was and, once again, he was just looking to make sure, you know, what security service was going to be provided for our parks and some of the other pieces that were included in the proposal. So, that's where my discussion with Mr. Phillips ended up. He's not here tonight either so I think we did a fair job of addressing his concerns and his comments and I feel that, you know, the chief and lieutenant and Marcus and I handled that pretty effectively; to be able to do that. But one again, and I think that was just bringing it to the attention about what his concerns were. Not necessarily with those two firms but any security company, as was mentioned tonight, whether or not any of it would be effective so we had those discussions with him but that's where it ended up just last week with his conversation.

City Administrator Story stated and then, Mr. Fuller, I believe after I discovered what Mr. Phillips was referring to and that we had a bid and it would be coming for proposal, I asked you to give me some background information on, again, what was talking. From that point on, I also had heard from our business community that they had already heard on the street that someone had been selected and it was not our current contractor. Did you not tell me that? That that had already been determined and that's how the business community knew that potentially General Services was not going to be the apparent recommended bidder but rather someone else?

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Marcus Fuller stated yes. I think that information was leaked in error, you know, before the action being taken tonight. That was an unfortunate circumstance but that's what happened.

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Mayor Robertson stated which brought business communities and others who rely on General Services -- are you okay? Which brought people who rely on General Services, who has been our contractor providing security at Metrolink and along our business corridor, to also raise the concern to me. So, I asked you why are they not considered and that's when you shared with me that technically they should have been not even in the review but you opted to put them out of the fact that they were a long-time service.

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Marcus Fuller stated correct.

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**TAB 12 - Security Guard and
Patrol Services**

Mayor Robertson stated the concern was the alternate bidding process that you said you didn't understand what – left it very unclear. So, why did I ask you to – what did I ask you to please go and have? A discussion to ask them if they wanted to remove it or if they wanted to clarify if they wanted to keep it in.

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Marcus Fuller stated correct. I recall you asking me to reach out to them to determine if they would still be requiring those conditions or qualifications in their proposal so that if the Council so chose to consider that proposal, without the qualifications, then it would be on equal footing with the other proposals that did not have those qualifications in their proposal. Again, on the basis as I had indicated, that I had chosen to include them before that conversation in the evaluations, after their proposal was submitted.

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Mayor Robertson stated at any time did I ask you to go though and see if they wanted to alter their rates? Their hourly rates or anything?

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Marcus Fuller stated no.

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Mayor Robertson stated okay, thank you. I didn't think so. I don't think I got to that level of discussion. I wanted to make sure I understood that maybe why did they think that there should have been an alternative process because probably if they had been kicked out to begin with, we'd be having a different conversation but you opted to put them into the mix and so, my question also to you was had you received any complaints about their level of service based on their existing contract service?

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Marcus Fuller stated I personally have not; no.

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Mayor Robertson stated I believe I asked you about the police chief or the police department, had they had any complaints to us with regards to the performance of General Services? Had anybody brought anything? And the chief is here and maybe he can respond to it because I didn't get to ask you, personally, because I don't believe -- I can't recall if you were there or not but I was told that the person you had sitting, who is the contract overseer had not brought to the table that they had any particular complaints on their performance or level of service.

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**TAB 12 - Security Guard and
Patrol Services**

Chief Farrar stated nothing that would be any different from any other company. You get complainers here and there but no, there was nothing egregious or anything with regards to the company.

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Mayor Robertson stated okay and I believe, City Administrator, I checked to see if we'd receive any complaints here in the Council Chambers on their level of service.

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City Administrator stated no, we hadn't. The only comment that we had, at all, was the one that Mr. Phillips had brought up, that I was aware of, that was the last meeting that questioned that.

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Mayor Robertson stated So, I think, you know, if we're going to say that we have created a cloud of impropriety here or improper actions on behalf of me, as Mayor, it was only in that if we would have stayed consistent with our RFP process then we would not have had this conversation and General Security probably would have been before us wondering why they had not fared well when they've been providing a service without any complaints since 1995 and our business community and I believe I'm sitting with some people who happen to be business members in our community and one on Riverside. Do you personally, Mayor Pro Tem, have any complaints about the service that you've received from General Services to date?

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Mayor Pro Tem Palmer stated no, but just let me clarify. The comment I made about the appearance of impropriety was not directed towards you. It was directed towards Mr. Fuller for his action of keeping them in the process when he should have kicked them out in the first place. That was the impropriety.

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Mayor Robertson stated well, I appreciate that.

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Mayor Pro Tem Palmer stated he should have done that but no way did I say you did anything – I said I didn't hear about any of that.

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Mayor Robertson stated I appreciate that because I want people to understand that, unfortunately, I feel like I'm a Mayor who ends up having to come and get engaged in things when the citizens call me.

TAB 12 - Security Guard and Patrol Services

Mayor Robertson stated call me at home or email me, which Mr. Story, Mr. Fuller, Police Chief Farrar have all been the benefit of the emails that I've received and some of you guys have received, I'm sure, of the things that they bring to us and I said today, to some of the department heads, and I'll say it to the community and if they -- if I'm wrong, call and let me know that. You know? Unlike the department heads, I was elected as well as everybody up here to represent the citizens of Rialto. Maybe everybody didn't vote for me, but the majority did, and I represent and I'm held accountable by the citizens of Rialto. When they call me, the lady who is concerned about the trash in front of her garage and why we are not doing anything or it's the person who calls me to tell me that I'm hiring an officer whose got some issues somewhere else or it is Mr. Phillips who not only calls me but then comes to the Council Meeting and makes some very damage comments to both contract - about both contractors without their presence. I'm only responding to the calls I get. If nobody calls me, guess what? I won't be calling them. I won't be calling you guys. But that's the way it works here. I feel I'm held accountable by the citizens who elect me and then they, in turn, expect us to hold the department heads accountable. They don't hold the department heads accountable; they hold us. So, if this got, unfortunately collude, our policies probably need to be tightened up we need to be very clear and if somebody can't read and write the basic understandings when an RFP is out and it says do this and you choose to do something else, you will get kicked out. If we stay like that, on a hard line, we won't have these long conversations up here about who said what but we've done this a number of times now. We have deviated and departed and for whatever reasons because we always are trying to be fair and open. So, I appreciate the recap. I want to say personally that I feel General Services has been with us, in the City, since '95. I've enjoyed the level of service and security since the security they provided when I was travelling on Metrolink. I could feel that my property at the Metrolink depot was safe and secure. I don't believe Metrolink has written us a letter and indicated that anybody is uncomfortable or don't appreciate the service that they provided. I don't understand why the group scored them the way they did and probably perhaps they came into the RFP process already one or two steps behind or not following the steps the way they should. But whatever way this goes, I think the citizens of the downtown and business community have really benefitted and appreciated the benefits of General Services and then we, in this community, especially I know the Friends of the Library and a number of other organizations, have benefitted from the willingness of their staff to participate in community and civic events on their own time when we've needed to call on somebody to be of assistance to some of our community based organizations.

**TAB 12 - Security Guard and
Patrol Services**

Mayor Robertson stated I personally want to say thank you General Services for the type of staff that you have had that has been very responsive and have taken on a commitment to this community as if it was their own community. So thank you.

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Mayor Pro Tem Palmer stated thank you. I didn't get to answer your question though. You asked me about the, you know, the level of services and I kind of explained my reasoning but let me be quite honest. I've got several businesses on Riverside Avenue and the surrounding streets in the downtown. And to be quite honest, do I feel any sense that they do anything at all for me? I don't. To be honest, absolutely not.

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Mayor Robertson stated Okay.

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Mayor Pro Tem Palmer stated the guard they have, the two that they have patrolling are very nice people. They walk up, they're very sociable but do they provide me any level of security that I feel safer because they're there? The answer would be no. Do I still get the problems that I've had, that I've complained about for years, that every business owner complains about on both sides of the street with the skateboarders and the bicyclers? The other day I got, I mean, I actually got hit by a skateboarder two days ago, going down the sidewalk. Do they address that issue? No. Other than tell them -- because they have no authority.

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Mayor Robertson stated no.

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Mayor Pro Tem Palmer stated to have them walk up and down the streets, great, they look good walking up and down the streets and they're very sociable but do they provide any level of service to me that I can attribute to bettering my business? The answer would be no. You're right so what they do, fine, they're probably great at the Metrolink Station; I don't go down there. But as far as my businesses, I'm not sure any company could do that other than the police department. But when they see things wrong, I'm not sure they call the police department and tell them anything so I don't know the answer to that so that's my intake.

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Council Member O'Connell stated Thank you, Madam Mayor. Reference the air of impropriety; I know we just went through the Metrolink. City Administrator Story, I think we put a lot of blame on Marcus. The Chief of Police, the community and it's the question of no complaints. That's not the issue. The issue is we have a policy on who we select.

TAB 12 - Security Guard and Patrol Services

Council Member O'Connell stated there are seven companies that were in that process. Somebody went to one of the department heads and said contact one company and change it. Is there an air of impropriety? That's for everyone else to decide. This is not about complaints. It's about interference. As a City Council, we should be going to the City Administrator and if we have any issues -- I get calls all the time and I go to the City Administrator. As a department head, if I get approached by the Mayor, by a Councilman or Councilwoman, I can feel intimidated. All the sudden, if I have seven companies and one company is identified, whether or not there's been complaints, that's not the issue. There's a process that we have to follow and we shouldn't be interfering with that process. That's all I'm saying. I'm done.

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Mayor Robertson stated good. thank you. City Administrator, may I ask a question of you? At the time that I needed to inquire about the status of this Tab item, did I not come to you and then ask you to have your department head brief me on it?

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City Administrator Story stated yes, I asked Marcus to do that.

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Mayor Robertson stated do I not always try to come to you and ask you for the items so that you can work through your department head?

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City Administrator stated either personally or by email or by phone.

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Motion by Council Member O'Connell, second by Council Member Palmer and motion fails by a 2-3 vote. Mayor Robertson, Council Member Baca Jr., and Council Member Hirtz voted no.

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Council Member Hirtz stated I was just going to suggest that Staff extend the contract for 30 days and bring this back either the 9th or the 23rd would be my suggestion.

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Mayor Robertson stated I think is that doable? Can we negotiate a 30 days extension to meet the obligations of Metrolink and bring the item back? Would you like some further clarification as to what to bring back?

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TAB 12 - Security Guard and Patrol Services

Marcus Fuller stated that's what I was going to ask. I'm not sure what I would bring back. I need authorization tonight to extend the current contract for at least 30 days or longer, depending on what it is -- the direction of the Council is on a new contract. Whether it's with CSI.

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Mayor Robertson stated and I think and that's what I was going to get to. I would suggest that we actually see if we can't extend the contract for 60 days and my recommendation would be for you to re-bid the whole thing and perhaps a couple of members here and I purposely would like to not have myself in there. Perhaps could help in assist you with ensuring we want to cover whatever we want in the process and I think once before I recommended that on these contracts, as you've done with some of our Public Works and some of the Engineering, that perhaps a Council Member, along with whoever you put on your selection committee, should be a part of that process as well. And I too, again, would not want to be a part of that process.

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Council Member O'Connell stated the one concern I have, by putting the Council person on the committee, as clearly indicated, we should be part of the decision making process. We should be the ones selecting. It's a check and balance system. If you put me on a committee and I want a particular company, I can influence that whole committee. What I've noticed, being on many sub-committees, whatever the Council person wants, is what occurs. We shouldn't be on these committees. We have too much influence. What we should do is allow the department heads, as paid professionals, to have a process, make a selection, and then as a Council, whether we agree with the selection or not, we have the right to say no, we don't want to go with your selection; we'll go with a different selection. But by introducing us into the process, it's too much influence as far I'm concerned.

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Mayor Robertson stated well, thank you, Council Member O'Connell and I appreciate those comments. I think we, at some previous Council actions interjected ourselves into a process so I was just kind of following some of our prior suits. I believe it was when we did the On-Call Engineering Contract and I think, if I'm not mistaken, didn't you, Mayor Pro Tem, participate in that process? So, perhaps another proposal and we don't have to spell it out here. Maybe a better proposal and I appreciate you pointing that out because we have another resource and with that I'm going to recommend that we possible use a member off of our either Human Relations Commission or we can possibly look at a member off of our Transportation Commission and ask them to be a part of that process.

**TAB 12 - Security Guard and
Patrol Services**

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Marcus Fuller stated I was going to ask your indulgence for a 90-day extension just to give us enough time.

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Mayor Robertson stated I think 90-days is appropriate because 60-days you still have to put it out and the bidding process requires at least a 90-days period.

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Marcus Fuller asked do you agree with the approach as far as half qualifications, half price? Do you want it all 100% low bid? Are you happy with the way we did it?

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Mayor Robertson stated in the interest of time, we could probably give you maybe some of those suggestions or you could ask Mike to get them from me from each respective member, then we can give you, you know, our thoughts of which way. Sounds like we're looking always for the most competitive price but I'm sure we still want to have efficiency so if you don't mind.

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Council Member O'Connell stated we should have a motion and a vote because only the Council has the authority to extend the contract so if you're going to extend it for 90-days, let's have a motion, a second, and a vote to do that.

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Motion by Council Member Hirtz, second by Council Member Baca Jr. and carried by 3-2 vote to extend current contract 90 days. Mayor Pro Tem Palmer and Council Member O'Connell voted no.

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ORAL COMMUNICATIONS

Alan Dyer, 5769 Chelsea Court, Rialto, and I'm here on a urgent request. I need a water partner for the Advisory Commission on the Water issues at San Bernardino Valley Municipal Water District. As you well know, in the water community, partnerships are valuable and we have, for the West Valley Water District, it's past president and current board member, we value our partnerships with the City of Rialto, and San Bernardino Valley Municipal Water District Board and the City of Rialto. However, I don't have any Council representation from Rialto. We did have Joe Baca Jr. come to a couple of those meetings and I commend you on that but we haven't had, Mayor Robertson, a designated representative from your Council to attend this meeting. Now you have an opportunity to make amends and that is coming up in three weeks, in July, there's a meeting for the Advisory Commission on Water Policy.

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ORAL COMMUNICATIONS

Mayor Robertson stated it's already on my calendar. Unfortunately, Mr. Kilgore probably didn't have a chance to speak with you, because he called and informed us and we discovered that we weren't receiving the notices because they were still going to the former Mayor. But in terms of appointments that we gave in January, we didn't send anything over to the Valley Water -- Municipal Board because it wasn't on our list, knowing that we needed to make appropriate appointments but I do appreciate you coming and letting us know that we're not there. I know now.

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Alan Dyer stated further your efforts, if you'll designate a representative, whatever Council Member that you wish to designate, but it's important. When I sit in these meetings, it's important to have the City input because there's a lot of issues on water. For example, contractual negotiations with the baseline feeder, ground water management issues, and these are all important water matters that concern the City of Rialto residents as well as the relationship between the retailer and the wholesale and the City of Rialto, you know, we're all three combined. Besides, I get lonely when I don't hear a roll call, I don't hear anybody from the City of Rialto saying here or present, when all the other cities are there. That's the important thing. And I do know you're good. You'll stay on top of it and I know that you'll send a designated rep over and we do have a meeting in three weeks. About every third month, they start at 7:00 o'clock and it's in the San Bernardino Valley Municipal Water District boardroom.

The other item I want to address, I want to thank you personally and publicly as well as City Administrator Mike Story, for your efforts on the Mormon Helping Hands Cleanup Project and for the nice Proclamation that our church received. As the spokesperson and media relations spokesperson for our church, it was greatly appreciated when you gave the Proclamation to our State President Purcell and I want to thank Mike personally for designating the cleanup sites went very smoothly. We had a lot of volunteers and thanks to the City of Rialto and the Council's efforts to back us in this partnership to make the City of Rialto look nice and to enhance the aesthetic quality of our community. That means a lot and so that's it.

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Terry Thompson, 2531 North Idyllwild Avenue in Rialto. As a sidebar, before I speak about what I came here for, I think we might be able to make an impact on our deficit if we turn the air conditioning down in here a little bit because it is cold. This issue has been broached twice before at meetings; it's cold. And I have to ask myself, I'm counting -- I don't even need to take my shoes off to see how many people are in the room and I'm wondering how many more would be here if it wasn't uncomfortable.

ORAL COMMUNICATIONS

Terry Thompson stated so, we might take an effort to take a look at what we're doing and what we're spending to refrigerate the meat locker here.

My comments and concerns this evening are not directed at any one person or any one entity but at an issue. It's the sworn duty of those elected to office to provide leadership and oversight of what we do in government. And it is equally, if not greater, the responsibility of those of us, the citizens, to watch and to question that leadership and that oversight. I have to wonder. It was mentioned earlier this evening about how we got to where we are right now, budgetarily. Why are we in the position we're in right now? And I think that there's a myriad of factors that led us to this point. But one of them is oversight. And I think Tab 12 tonight, and the 25 or 30 minutes we spent on that is a clear roadmap. It's an indication as to how we got here, at least partially. The citizens of this community, as they do in most communities, require clear and decisive leadership. I've been given some numbers and I've looked at those numbers, as to what we're spending on legal services. Again, I'm not directing this to the City Attorney or to his business or practice or any of the other attorneys that represent the legal interests of this community. I work in the Risk Management field for 17 years. I've got a pretty good grasp or least a better grasp than the common man as to what it costs to defend a city. We're spending \$50,000 dollars a month in retainer. That's an incredible amount of money; \$50,000 dollars a month and to paraphrase Mike Story, we love you Jimmy, but we can't afford you. We simply cannot afford that kind of cost for legal services. I have to ask myself, what are we doing as a government? How are we being steered into areas, into waters where there's that type of litigation? I don't see it in the government agencies that I represent. Why is it we're here, at this point, and it's not just for court. It's the overall legal fees that we're paying. I've looked at some numbers. In 2011, this City, according to the numbers I received, paid out somewhere near \$3,540,000 dollars to attorneys or legal fees or law firms. In 2012, \$6,972,000. In 2013, to date -- I'm losing my voice -- \$2,763,000. That's a total, if these numbers are correct, \$13,275,000. Now for those of us in TV land, that are watching this and the six or eight of us that are here, if you divide that by the 912 days that have elapsed, including the June 30th of this year, that comes out to \$14,555 dollars a day for legal services in this community. We can't support that. If those numbers are correct, how do we pay for that? And I don't think that's 0.6% of the budget. \$50,000 dollars a month times 12 months is \$600,000 dollars a year. You divide that by 365 days and for those of us that are going to wonder how we're going to keep our house, how we're going to make ends meet, how we're going to do that, that's \$1643.84. We can't afford it. There has to be some process for keeping control, for mitigating the legal costs that we're incurring and I'm not seeing that. I sure didn't see it on Tab No. 12 and I don't think anybody else was watching did either.

ORAL COMMUNICATIONS

Terry Thompson stated the citizens of this community require better government and I keep hearing "moving on" and my dad, who was born two years before this City was incorporated, almost to the day, had a saying that he put into me, instilled in me, and that every time government tells you to move forward, you better look back. And that's what we need to do. We need to take a look back and see how it is we got into a position where we're paying this kind of money. Paying this kind of money when we are asking our employees to make concessions. Paying this kind of money when we're asking those employees who are still here to do less – or do more with less. And asking our citizens to put up with what the end result is going to be of that. I beseech you to get control of what we're spending on legal services and instill in this City government an oversight policy and procedure that will keep us from going down and continuing down this road. Those are huge numbers. Even the \$50,000 alone is a huge number and we can't afford it.

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COUNCIL REPORTS

Council Member O'Connell stated recently, Four of us on the City Council voted to give a refund and what that is, basically, it's \$500,000 dollars we're going to get back. It's going to cost us \$35,000 dollars and if you can show the diagram. What that is, basically, it's 7% of the budget and I guess we're not going to show it. So -- I guess not. We recently got some complaints. I got a complaint from a citizen reference the refund. The complaint was we got a letter from the City and the bill itself was very confusing and on behalf of the fellow Council Members, as well as the City, I apologize. What we ended up doing is we got in touch with the department and we redid the letter. The good news is by the citizen coming forward and complaining we were able to address this issue. There are six different bills -- groups that we send out for Perchlorate. The citizen got the first group, was able to come forward and her complaint was, "I got a refund" but I don't know how much; it's very confusing. And the department actually stepped forward and did a great job and I want to pass this out to the Council. Basically, it's a copy of the previous letter. We ended up updating the letter and for the five of the six groups that did not get the letter yet, we actually put down in the letter itself how much of a refund you got. For the group that did not get this letter, we apologize. Basically, we sent you a letter saying you will get another letter informing you of how much you are supposed to get. So, if you get the Perchlorate Refund, it's confusing. It's probably because of a limited computer system but we try to clarify it by putting out exactly how much you're getting. So, the good news is that I got one complaint and a lot of people are appreciating what we're doing but I want to make sure that we -- if anyone ever has a complaint, call us so we can solve it and that's exactly what we did here.

COUNCIL REPORTS

Council Member O'Connell stated I'd like to also comment on Mr. Terry Thompson's concern. This is not a reflection of the City Attorney. In fact he's been very helpful for me. But one of the things that I noticed was -- and I had asked Mike Story. About a month ago, how much are we spending on legal fees? And at the time, we really did not have a grasp of what we're spending and I think going forward, we will be addressing this. The first part is to identify it, which if you looked at the budget report that just came out, we now have a section that says, "Legal Fees" and it lists by year. The second will be as a Council and I'm sure you'll be pleasantly surprised. What we'll need to do is figure out a way of addressing who oversees it. And this is not a reflection of the City Attorney. It, basically, hasn't been done as far as I can determine for -- since 2000 because our legal costs have been extremely high, even during the greatest recession that we just had. But we will be addressing it and I think we'll get our hands around it going forward.

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Mayor Pro Tem Palmer didn't have a report.

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Council Member Baca Jr. stated I just, you know, want to ask that in the future, I know that it's 10:10 or pretty close to 10:10. I'd like to put the public comments in the beginning, just for the respect of the public that they need to go other places. At least give them an opportunity to speak and clearly if they want to speak on a Tab item, they can stay and speak early on it but I think that would be fair to the residents out of respect for residents to allow them to speak early if they have somewhere they have to be just for the sake of time because our meetings, you know, we haven't ended this late in a while but I just want to make sure that we give them an opportunity to speak and I have no comments but to say that I've got a chance to spend some time with my family and it's been nice.

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Council Member Hirtz stated I did attend the luncheon honoring the Firefighter of the Year, Art Poduska at Sizzler hosted by the Exchange Club and it was gratifying to see how well respected he is by his co-workers and his family.

I'd like to acknowledge Sandy Courtney who was selected by Pasadena Playhouse for a Gilmore-Brown Award. It's only been offered 22 times in 60 years. She was either the second or third woman to receive this so not only very few times but few women so she put it on her "San-diva" Wall.

COUNCIL REPORTS

Council Member Hirtz stated I represented the Council at the Gano Excel Coffee House grand reopening and expansion. I stuck to the ice tea though on recommendation. And it was a lovely affair.

Only thing, I was on time and they told next time remember that there are different time zones and they were on an hour later than I but anyway, it was very nice, great food, and some really charming people. A nice asset for Riverside Avenue. And they have a nice little meeting room there that's available at no charge if you just talk to them and it's nice and cool in there.

And, other than that, remember a week from Thursday is the Old Fashion 4th of July in the San Bernardino Park and we're even going to have some fireworks and hopefully not burn down the park as we did Frisbie the last time – no. So, come out and enjoy the evening with the rest of the residents.

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Mayor Robertson stated in the interest of time, I know that we're going to go into Closed Session and then come back out for Closing Comments as well but I would just like to make note of it that when we do come back to close tonight, I'd like to close our Council Meeting in memory of Commander Virgil Van Heerde, which I'm sure all of you are aware of and know and he had helped us so many times through the American Legion Post 422 and he passed away.

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Mayor Pro Tem Palmer stated may I add to that that on July 2nd, at the Rialto Park Cemetery, Arty Van Heerde, his wife, is going to have a memorial at the cemetery from 5:00 to 8:00 p.m. for all those that may be interested in attending.

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City Administrator Story stated I wanted just real quickly to request by Council Member Baca about moving the public comment period. Is that something you'd like the Clerk to implement to the next meeting? Is that the discretion of all the Council or what's the prerogative? I just want to know if that's one thing that we would want to do; I don't know.

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Mayor Robertson stated if I'm not mistaken, I believe it is a Resolution so we'd have to come back.

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City Administrator Story stated Okay, we'd have to bring that back if that's the direction of the Council.

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COUNCIL REPORTS

City Council went back into Closed Session at 10:30pm and returned at 11:25 p.m.

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City Administrator Story stated after discussion in Closed Session, regarding evaluation – information provided regarding the City Attorney, it was the consensus of the Council to provide – for Mr. Gutierrez to provide a 90-day contract or billable hours for the next 90-days at \$25.00 an hour and \$75.00 for the paralegal costs for that over the next 90-days, with a cap at 160 hours monthly to be able to do that. Also, that the bills would be broken out to be identified as litigation versus non-litigation hours and that the bills would be provided and reviewed by the sub-committee of the Council Members of Council Member Baca and Hirtz to look at that and then we will move forward from that point. Did I catch it all?

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Mayor Robertson stated the only thing I would add to that and I guess it goes without saying is that in that 90-day period, whatever we chose – the path we want to take after research that will not preclude Mr. Gutierrez from participating in any of the subsequent options that we may be looking at.

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Mayor Pro Tem Palmer stated can we direct someone to prepare some sort of a memorandum of understanding on what that agreement is for the next 90-days?

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City Administrator Story stated would you like me to prepare something for your review?

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Mayor Robertson stated we're going into the Fiscal Year so we'll need billable hours.

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City Administrator Story stated yeah, it'll be very simple to do that but I can provide that and have it reviewed by the sub-committee to look at it before I provide it to Mr. Gutierrez.

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City Clerk McGee stated I just need to make for the record. We went past the normal hours that the disc that we had on and I think -- I'm not sure what time but during some part of the oral communication it was not recorded so what that means, which I've instructed Gabe to do, is to write out that this Council -- just replay it back over instead of waiting until Thursday. Just do it tonight. That we did recap it but we had to change discs and we didn't stop.

COUNCIL REPORTS

City Clerk McGee stated and so, we did not collect all the oral communication so I've instructed him and for the viewing audience that after we play this meeting, we will just turn right back around tonight and play this entire meeting instead of waiting until Thursday.

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ADJOURNMENT

Motion by Mayor Pro Tem Palmer, second by Council Member Baca Jr. and carried by unanimous vote to adjourn the meeting at 11:30 p.m. in memory of:

Virgil VanHeerde

Rialto Resident

U.S. Navy Veteran

Former Commander

American Legion Post 422

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